

Message Text

UNCLASSIFIED

PAGE 01 STATE 305558
ORIGIN NEA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-07 NSAE-00
PA-02 USIA-15 PRS-01 SP-02 SEC-01 ITC-01 OPIC-06
EB-08 COME-00 ARA-14 /068 R

DRAFTED BY NEA/INS:PWLANDE:JES
APPROVED BY NEA/INS:PWLANDE
-----129794 230708Z /23

R 222357Z DEC 77
FM SECSTATE WASHDC
TO AMEMBASSY NEW DELHI

UNCLAS STATE 305558

E.O. 11652: N/A

TAGS: OGEN, IN

SUBJECT:NEWS ARTICLE

FOLLOWING ARE EXCERPTS FROM WALL STREET JOURNAL ARTICLE OF
DEC. 22:

THE SECURITIES AND EXCHANGE COMMISSION ACCUSED GOODYEAR
TIRE AND RUBBER CO. OF MAINTAINING 1.5 MILLION DOLS IN UN-
REPORTED SLUSH FUNDS USED TO MAKE FOREIGN PAYOFFS AND
ILLEGAL DOMESTIC POLITICAL CONTRIBUTIONS.

THE SEC ALSO CHARGED THAT THE AKRON, OHIO, TIRE COMPANY
HAS MADE MORE THAN 500,000 DOLS IN QUESTIONABLE PAYMENTS
SINCE 1970 IN 20 FOREIGN COUNTRIES TO POLITICAL PARTIES,
GOVERNMENT EMPLOYEES AND LABOR UNION OFFICIALS.

AT THE SAME TIME THE COMMISSION FILED THE COMPLAINT IN
FEDERAL COURT HERE, GOODYEAR AGREED TO SETTLE THE AGENCY'S
CHARGES. THE COMPANY CONSENTED, WITHOUT ADMITTING ANY
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 305558

VIOLATIONS OF THE LAW, TO A PERMANENT COURT INJUNCTION
BARRING FURTHER VIOLATIONS OF THE FEDERAL SECURITIES LAWS
AND ISSUED A REPORT IDENTIFYING MOST OF THE COUNTRIES IN

WHICH IT MADE QUESTIONABLE PAYMENTS. THE LIST INCLUDES
INDIA, MEXICO, COLOMBIA AND NICARAGUA, BUT IT DOESN'T
NAME THOSE WHO RECEIVED THE MONEY.

GOODYEAR IDENTIFIED 12 OF THOSE COUNTRIES IN WHICH IS
SUBSIDIARIES MAINTAINED OFF-BOOK CASH FUNDS AND MADE
QUESTIONABLE PAYMENTS. THE COMPANY SAID ITS SUBSIDIARY IN
INDIA HAD AN UNRECORDED FUND OF MORE THAN 500,000 DOLS
BETWEEN 1971 AND 1975 FROM WHICH IT PAID 100,000 DOLS TO
THE OFFICE OF A LOW-LEVEL GOVERNMENT OFFICIAL TO "FACILI-
TATE" THE SUPPLY OF ELECTRICITY TO THE SUBSIDIARY'S MANU-
FACTURING FACILITY. THE INDIAN SUBSIDIARY ALSO MADE SMALL
PAYMENTS TO A "TRADE ASSOCIATION AND OTHERS" IN CONNECTION
WITH "DESIRED PRICE INCREASES" AND TO SECURE THE "GOODWILL"
OF GOVERNMENT OFFICIALS. VANCE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 22-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE305558
Document Source: CORE
Document Unique ID: 00
Drafter: PWLANDE:JES
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770479-0257
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771224/aaaaauid.tel
Line Count: 74
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a4cfcafd-c188-dd11-92da-001cc4696bcc
Office: ORIGIN NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 24-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 143504
Secure: OPEN
Status: NATIVE
Subject: NEWS ARTICLE FOLLOWING ARE EXCERPTS FROM WALL STREET JOURNAL ARTICLE OF DEC. 22
TAGS: OGEN, IN
To: NEW DELHI
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a4cfcafd-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009